

IN SENATE OF THE UNITED STATES.

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AUGUST 29, 1842.

Ordered to be printed.

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Mr. EVANS submitted the following

REPORT :

*The Committee on Finance, to whom were referred several memorials, praying for remission of duties on certain importations into the United States, report :*

That Charles H. Russell & Co. and Charles Potter, merchants, of the city of New York, in the year 1828, prior to the act of May 19 of that year, ordered from Europe a quantity of dry goods, consisting of blankets, flannels, and other manufactures, principally of wool. These articles did not arrive until after the act of 19th May aforesaid, by which the duties on these articles were considerably increased, took effect. They pray that the additional duties imposed by that act may be refunded.

De Forest Manice represents in his memorial that in the years 1832 and 1833 he was a member of the house of Manice, Phelps, & Co., of New York, importers of British goods; that, in the latter part of 1832, and early in 1833, he was in England, and purchased considerable quantities of kerseys, plains, and other goods, which, by the act of July, 1832, were entitled to be admitted on and after 3d March, 1833, at a duty of five per cent. ad valorem. These goods did not arrive in this country until after the 3d of March aforesaid, and were then subject to a duty of fifty per cent. ad valorem, by virtue of the provisions of the act of March 2, 1833. He prays that the additional duties imposed by the last-mentioned act may be refunded.

John L. Penzart & Co. imported in the month of October last into the port of Charleston, South Carolina, in Spanish vessels, a quantity of fruit, the duties upon which had been considerably increased by the act of 11th September last. The vessels sailed from their port of departure in Spain on the 1st of September, prior to the passage of that act. It does not appear that the petitioners had previously ordered these shipments, or were in any way connected with them prior to their arrival.

The shipments were undoubtedly made abroad on foreign account, as it appears that Mr. De Argain, the minister of her Catholic Majesty, on the 17th October last, made application to the Secretary of State for the remission of these duties, on behalf of the captains of the vessels, alleging *their* ignorance of the act of September at the time of sailing. If the importations had been made by American merchants on their own account, the Spanish minister certainly would not have been appealed to to aid in the objects sought to be attained. In this respect the case differs from the others embraced in this report.

A. H. Abrahams represents that he sailed from Charleston, South Carolina, on the 12th day of July last for Europe, and in the month of August following shipped from Bremen, on account of J. H. Abrahams, of Bremen, a quantity of goods which, prior to the act of September last, were entitled to entry free of duty. They did not arrive until the month of December last, and were then subject to duty by the act aforesaid. At the time he left this country Congress was in session, and engaged upon the subject of providing further revenue by imposing additional duties on imports, so that merchants and others were duly apprized of the probability of a change in the revenue laws, and must be understood to have engaged in commercial enterprises admonished of the hazards which attended them.

McDowell, Hayne, & Co., represent that, on the 25th of May, 1841, they ordered from manufacturers in England forty-two bales of blankets, a part of which were shipped in Liverpool 15th August, and arrived in Charleston 4th October, and the remainder were shipped on 19th September, and arrived November 8, 1841. At the time these goods were ordered, they were subject to a duty of five per cent., and at the time of their arrival, by the act of September, 1841, to a duty of twenty per cent. They pray that the additional duties imposed by the said act may be refunded. At the time the order was given, Congress was about to assemble, having been convened by proclamation, to consider of important matters, chiefly connected with the revenue, and as in the last case, reasonable apprehension must have been excited of a revision of the revenue laws.

The committee have taken all these cases, and the particular circumstances of each, into consideration, and upon mature examination, can not recommend the relief which is sought for. They all rest substantially upon the same ground, viz: that the goods upon which duties have been exacted, at the time they were ordered or shipped abroad, were entitled by existing laws to be admitted either free of duty, or at a lower rate than was subsequently required. They allege ignorance of any intention to change the laws, and assert the principle, that whenever revenue laws are altered, relief from their operation ought to be extended to all who have entered into contracts in commercial operations in the faith that the laws would not be changed.

The committee have already in other cases, expressed their opinion, that such a principle can not be sustained or sanctioned, without great injury to the revenue, and without leading to results which would be still more disastrous. If relief be granted on such grounds, it is not easy to see why it should not also be extended to importers who may be injuriously affected, when a law reducing duties should be enacted. Whenever duties are diminished or wholly removed, it is manifest that the whole mass of articles then in the country previously imported, upon which higher duties have been paid, may decline in price, in consequence of the increased importations occasioned by a reduction of duty. The importers, under such circumstances, would seem to have as valid a claim for relief, as the petitioners have in the present cases. The committee are of the opinion that the only safe policy for the Government to adopt and to adhere to, is, that all commercial enterprises must be undertaken, subject to any change of law which Congress may at any time find it necessary or expedient to make. It is not to be presumed that Congress will for light causes, make sudden or frequent alterations in the revenue system of the country. The necessity for it, and the probability of its being done, may generally be anticipated, by sagacious merchants,

who arrange their business accordingly. If, at times, such alterations when made, press heavily upon the importer, at other times, they furnish benefits which are a fair equivalent. The committee, therefore, recommend the adoption of the following resolution :

*Resolved*, That the prayer of the several petitions before referred to ought not to be granted.

